

AO 440 (Rev. 8/01) Summons in a Civil Action

UNITED STATES DISTRICT COURT

Southern

District of

New York

ELLIOT L. BIER

SUMMONS IN A CIVIL ACTION

V.

GRAND TOYS INTERNATIONAL LIMITED

CASE NUMBER:

07 CIV 7235

JUDGE SPRIZZO

TO: (Name and address of Defendant)

Grand Toys International Limited
Room UG202, Floor UG2
Chinachem Golden Plaza
77 Mody Road
Tsimshatsui East, Kowloon, Hong Kong

YOU ARE HEREBY SUMMONED and required to serve on PLAINTIFF'S ATTORNEY (name and address)

Barry J. Friedberg
Trachtenberg Rodes & Friedberg LLP
545 Fifth Avenue
New York, New York 10017
(212) 972-2929

an answer to the complaint which is served on you with this summons, within 30 days after service of this summons on you, exclusive of the day of service. If you fail to do so, judgment by default will be taken against you for the relief demanded in the complaint. Any answer that you serve on the parties to this action must be filed with the Clerk of this Court within a reasonable period of time after service.

J. MICHAEL McMAHON

8/14/2007

CLERK

Marcelo Quintero

DATE

(By) DEPUTY CLERK

AO 440 (Rev. 8/01) Summons in a Civil Action

RETURN OF SERVICE		
Service of the Summons and complaint was made by me ⁽¹⁾	DATE	
NAME OF SERVER (<i>PRINT</i>)	TITLE	
<i>Check one box below to indicate appropriate method of service</i>		
<div style="margin-bottom: 10px;"> <input type="checkbox"/> Served personally upon the defendant. Place where served: </div> <div style="margin-bottom: 10px;"> <input type="checkbox"/> Left copies thereof at the defendant's dwelling house or usual place of abode with a person of suitable age and discretion then residing therein. Name of person with whom the summons and complaint were left: </div> <div style="margin-bottom: 10px;"> <input type="checkbox"/> Returned unexecuted: </div> <div> <input type="checkbox"/> Other (specify): </div>		
STATEMENT OF SERVICE FEES		
TRAVEL	SERVICES	TOTAL \$0.00
DECLARATION OF SERVER		
<p>I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in the Return of Service and Statement of Service Fees is true and correct.</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 30%;"> Executed on _____ Date </div> <div style="width: 60%;"> _____ <i>Signature of Server</i> </div> </div> <div style="text-align: center;"> _____ <i>Address of Server</i> </div>		

(1) As to who may serve a summons see Rule 4 of the Federal Rules of Civil Procedure.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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ELLIOT L. BIER,

Plaintiff,

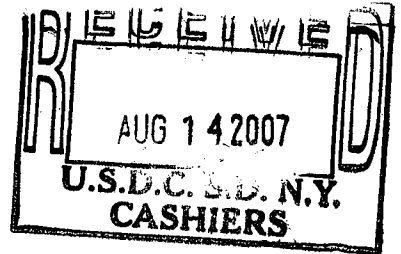
-against-

GRAND TOYS INTERNATIONAL
LIMITED,

Defendant.
-----X

Case No. _____

COMPLAINT



Plaintiff Elliot L. Bier, by his attorneys, Trachtenberg Rodes & Friedberg
LLP, for his Complaint herein, alleges as follows:

NATURE OF THE ACTION

1. This is a diversity action for breach of a senior executive employment agreement by a NASDAQ-listed defendant-employer.
2. Plaintiff served the defendant, pursuant to written employment agreement, in various capacities over a period of years, including as Deputy Chief Executive Officer and Chairman of the Board.
3. At all times, defendant recognized the services provided by making full and complete payment of all compensation and benefits required under the agreement, without objection or qualification.
4. Recently, however, defendant has suspended compensation payments without notice, advice or explanation.

5. This action is therefore unfortunately necessary to compel defendant to honor its contractual commitments to its executive suite employee.

PARTIES, JURISDICTION AND VENUE

6. Plaintiff Elliot L. Bier ("Bier") is a Canadian citizen residing at 638 Lansdowne Avenue, Westmount, Quebec, Canada H3Y 2B8.

7. Defendant Grand Toys International Limited ("Grand") is a limited company organized under the laws of the Hong Kong Special Administrative Region of the People's Republic of China with its registered office at Room UG202, Floor UG2, Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong.

8. More specifically, Grand is a holding company that owns and operates various businesses in the toy industry. Bier, a former lawyer, has served and serves Grand as a director, Vice Chairman of the Board and Deputy Chief Executive Officer.

9. This court has personal jurisdiction over defendant pursuant to New York Civil Practice Law and Rules §§ 301 and 302.

10. This court has subject matter jurisdiction over this matter pursuant to 28 U.S.C.A. § 1332, as the parties are diverse and the amount in controversy exceeds \$75,000.

11. This court is the proper venue pursuant to 28 U.S.C.A. § 1391(a).

GENERAL ALLEGATIONS

12. In or about July 2004, Grand and Bier entered into a written employment agreement by which Grand employed Bier as executive director and Vice Chairman of the Board of Directors of Grand under a series of terms and conditions therein set forth.

13. On or about August 16, 2004, Grand and Bier amended and restated the employment agreement (the "Amended Agreement").

14. The Amended Agreement provides, among other things, that Bier shall be promoted to serve as Deputy Chief Executive Officer and Chairman of the Board of Grand.

15. The Amended Agreement further provides that (i) Grand "shall pay to Bier a consulting fee at a rate of US\$300,000 per annum"; (ii) "Bier shall be entitled to a guaranteed bonus," payable on the first, second and third anniversaries of the agreement, in an amount equal to 40% of the amount of the consulting fee for each relevant period, and (iii) Bier shall be entitled to various other benefits and compensation, all as set forth therein.

16. During the period from August 2004 through May 2007, Grand in fact performed its obligations under the Amended Agreement without objection or fail, including without limitation by (i) making regular monthly payments of \$25,000 toward the annual consulting fee of \$300,000, (ii) paying guaranteed bonuses on or about each of the 2005 and 2006 anniversaries of the Amended Agreement and (iii) providing various other benefits and compensation provided for therein.

17. In or about June 2007, however, without advice or explanation, Grand ceased making monthly payments of \$25,000 per month towards Bier's annual \$300,000 consulting fee and otherwise neglected to honor its contractual commitments to plaintiff under the Amended Agreement.

18. During June and July 2007, Bier made repeated demands, orally and in writing, for payment under the contract.

19. In response, Grand repeatedly made clear that it intended to and would make all required payments, but has failed and continues to fail to do so.

20. On information and belief, Grand purports to repudiate its contractual obligations under the Amended Agreement to plaintiff without basis.

CLAIM FOR RELIEF
(Breach of Contract)

21. Plaintiff repeats and realleges each and every preceding allegation as if set forth fully herein.

22. As set forth above, Grand owed Bier a contractual obligation to pay Bier \$25,000 per month through the end of December 2007, to pay Bier a guaranteed bonus of at least \$120,000 for the year ended August 16, 2007 and to provide Bier with various other forms of compensation.

23. As further set forth, Grand has failed and refuses to make all such payments.

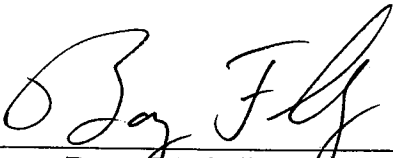
24. As a result, Grand is liable to Bier for breach of contract for the \$25,000 monthly payments for the months of June through December 2007, as well as the guaranteed bonus of at least \$120,000, for a total of at least \$295,000, plus expenses, interest and attorneys' fees.

WHEREFORE, plaintiff Elliot L. Bier respectfully prays for judgment
against Defendant Grand Toys International Limited:

1. on its first claim for relief for breach of contract, compensatory damages in the amount of at least \$295,000.00, plus pre- and post-judgment interest and attorneys fees;
2. awarding any such other and further relief as this Court deems just and proper.

Dated: New York, New York
August 14, 2007

TRACHTENBERG RODES & FRIEDBERG LLP

By: 
Barry G. Friedberg (BF 7337)

545 Fifth Avenue
New York, New York 10017
(212) 972-2929

Attorneys for Plaintiff Elliot L. Bier